

The meeting was called to order at 9:00 a.m. in the Tax Commissioner's Conference room by Pat Albro, Chair of the Committee.

In attendance were: Pat Albro, designee of the Property Tax Administrator; Rob Ogden, representing the county assessors; and Lori Johnson private sector appraiser. In attendance by telephone was John Wiechman, representing the low income housing industry. Also from the Department of Revenue, Property Assessment Division, were Grace Willnerd acting as counsel for the Committee and Jim Koch acting as secretary.

Ms. Albro read the open meetings law provisions as applicable to the meeting.

Ms. Albro asked for public comments from others in attendance either in person or by telephone. In attendance were Mark Jenkins, commercial appraiser with Douglas County Assessor and Charles Chamberlin attorney with the Tax Equalization and Review Commission (TERC). In attendance by telephone were Mike Goodwillie, attorney for the Douglas County Assessor and Jackie Morehead, Chief Deputy Assessor for Sarpy County. There were no public comments at this time.

Ms. Albro opened the discussion by reading the responsibilities of the committee as set in LB 356. The primary discussion for this meeting was to decide on the form and format that the owners of rent-restricted housing projects would provide the information to the assessors and the Committee. The statute clearly states that the income approach is the most accurate indication of value for projects receiving IRC Section 42 low income housing tax credits and the Committee is to analyze the data, determine an appropriate capitalization rate (or rates as necessary) and report the capitalization rate to be used for determining taxable value.

The committee determined that the income and expense form provided by the Nebraska Investment Finance Authority (NIFA) would be sufficient to report the income and expenses. At some future date the form may be modified by the Committee, but given the short amount of time before reporting is required (October 1) the Committee determined to leave the form as provided by NIFA.

The Committee needs additional information to make a determination of the capitalization rate and would like the owners to provide the financing information regarding the tax credits awarded by NIFA, the amount financed through mortgages in addition to the term and interest rates for the mortgage, and any appraisal reports that may have been provided during the application and awarding of credits. Mr. Wiechman offered to provide the appraisal and tax credit information he had available through Midwest Housing Equity Group (MHEG) as a syndicator of the tax credits. A brief discussion on how this information would be provided followed. Additionally the committee is to be provided the land use restriction agreements for the projects.

Mr. Ogden made a motion to accept the NIFA spreadsheet (Real Estate Tax Calculation Template [Real Estate Tax Form.xls](#)) for the 2015 income and expense filing and requesting the additional information be provided. The motion was seconded by Ms. Johnson. Roll call vote: Ogden, Aye; Johnson, Aye; Wiechman, Aye; Albro, Aye. Nays: None.

Mark Jenkins stated that Douglas County has multiple parcel projects and the filing of a single income/expense statement makes it difficult to apportion value over the individual parcels.

Mr. Ogden agreed, but thought that would be a discussion the Committee might have going forward and that it would affect the individual assessors and not the creation of the capitalization rate.

In order to contact as many owners as possible, Grace Willnerd will draft a news release for the Department website and Ms. Albro will forward a note to NIFA for their assistance in assuring as many owners as possible are aware of the statutory reporting requirement for this year.

Ms. Albro asked for recommended dates for future meetings keeping in mind that the Committee was required to hold at least one November meeting and issue the determination and report by December 1.

The following dates were agreed to by the Committee:

November 5, 2015; meet at State Office Building to consider the data; all day from 9:00 a.m.

November 12, 2015; reserve this date for additional discussion if needed.

November 23, 2015; meet at State Office Building to adopt the report of the Committee.

Ms. Albro adjourned the meeting with unanimous consent.